GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:1946
ANSWERED ON:21.07.2004
GROWTH IN TELECOMMUNICATION SECTOR
Chaliha Shri Kirip

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether there has been a tremendous growth in the telecommunication sector in recent years;

(b) if so, the details thereof during the last three years;

(c) whether the indigenous manufacturing industry has not been adequately encouraged despite growth in telecommunication sector; and

(d) if so, the reasons therefor and the action taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) Yes, Sir.

(b) The number of telephone connections in the country have become more than double during the last three years. Year-wise details of growth in telephone connections and tele-density are as follows:

Telephone connections (in lakhs)	Growth	Tele-density (per 100 population)	(in Percentage)
As on 31.3.2001	362.9	-	3.53
As on 31.3.2002	449.7	23.9	4.29
As on 31.3.2003	546.2	21.5	5.11
As on 31.3.2004	765.4	40.1	7.02

(c) & (d)Several measures were taken to encourage indigenous manufacturing of telecom equipments. The industry has been given many incentives such as benefit under central sales tax, modified EHTP (Electronic Hardware Technology Park) Scheme, rationalisation of custom duty and exemption of excise duty on manufacturing of mobile handsets to encourage the manufacturing industry to grow in tune with the growth of telecom service sector.